

# SENATE BILL No. 619

October 15, 2013, Introduced by Senator HILDENBRAND and referred to the Committee on Economic Development.

A bill to amend 1968 PA 330, entitled "Private security business and security alarm act," by amending the title and sections 1, 2, 3, 4, 5, 6, 8, 9, 14, 16, 17, 19, 22, 25, and 26 (MCL 338.1051, 338.1052, 338.1053, 338.1054, 338.1055, 338.1056, 338.1058, 338.1059, 338.1064, 338.1066, 338.1067, 338.1069, 338.1072, 338.1075, and 338.1076), the title and sections 3, 4, 8, 9, 14, 17, 19, and 25 as amended by 2010 PA 68, sections 1 and 22 as amended by 2000 PA 411, section 2 as amended by 2012 PA 581, and section 6 as amended by 2012 PA 419; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

TITLE

An act to license and regulate private security guards,

1  
2

1 private security police, private security guard agencies, **AND**  
2 private college security forces; ~~and security alarm systems~~  
3 ~~servicing, installing, operating, and monitoring,~~ to provide  
4 penalties for violations; to protect the general public against  
5 unauthorized, unlicensed, and unethical operations by individuals  
6 engaged in private security activity; ~~or security alarm systems~~  
7 ~~sales, installations, service, maintenance, and operations,~~ to  
8 establish minimum qualifications for individuals ~~as well as~~ **AND**  
9 private agencies engaged in the security business; ~~and security~~  
10 ~~alarm systems and operations,~~ to impose certain fees; to create  
11 certain funds; and to prescribe certain powers and duties of  
12 certain private colleges and certain state departments, agencies,  
13 and officers.

14 Sec. 1. This act shall be known and may be cited as the  
15 "private security business ~~and security alarm~~ act".

16 Sec. 2. (1) As used in this act:

17 (a) "Commission" means the commission on law enforcement  
18 standards created under section 3 of the commission on law  
19 enforcement standards act, 1965 PA 203, MCL 28.603.

20 (b) "Department" means the department of licensing and  
21 regulatory affairs, except that in reference to the regulation of  
22 private security police and private college security forces,  
23 department means the department of state police.

24 (c) "Governing board" means a board of regents, board of  
25 trustees, board of governors, board of control, or other governing  
26 body of an institution of higher education.

27 (d) "Licensee" means a person licensed under this act.

1 (e) "Person" means an individual, limited liability company,  
2 corporation, **PARTNERSHIP**, or other legal entity.

3 (f) "Private college security force" means a security force  
4 authorized under section 37.

5 (g) "Private security guard" means an individual or an  
6 employee of an employer who offers, for hire, to provide protection  
7 of property on the premises of another, and includes an employee of  
8 a private college security force.

9 (h) "Private security police" means that part of a business  
10 organization or educational institution primarily responsible for  
11 the protection of property on the premises of the business  
12 organization, but does not include a private college security  
13 force.

14 ~~—— (i) "Security alarm system" means a detection device or an~~  
15 ~~assembly of equipment and devices that is arranged to signal the~~  
16 ~~presence of a hazard that requires urgent attention and is remotely~~  
17 ~~monitored by a central monitoring system. Security alarm system~~  
18 ~~includes any system that can electronically cause an expected~~  
19 ~~response by a law enforcement agency to a premises by means of the~~  
20 ~~activation of an audible signal, visible signal, electronic~~  
21 ~~notification, or video signal, or any combination of these signals,~~  
22 ~~to a remote monitoring location on or off the premises. Security~~  
23 ~~alarm system does not include any of the following:~~

24 ~~—— (i) A video signal that is not transmitted over a public~~  
25 ~~communication system.~~

26 ~~—— (ii) A fire alarm system.~~

27 ~~—— (iii) An alarm system that monitors temperature, humidity, or~~

1 ~~other condition that is not directly related to the detection of an~~  
 2 ~~unauthorized intrusion into a premises or an attempted robbery at a~~  
 3 ~~premises.~~

4 ~~—— (iv) A system that is not monitored by a central monitoring~~  
 5 ~~station and does not set off an audible alarm.~~

6 ~~—— (j) "Security alarm system agent" means an individual employed~~  
 7 ~~by a security alarm system contractor whose duties include the~~  
 8 ~~altering, installing, maintaining, moving, repairing, replacing,~~  
 9 ~~selling, servicing, monitoring, responding to, or causing others to~~  
 10 ~~respond to a security alarm system.~~

11 ~~—— (k) "Security alarm system contractor" means a person engaged~~  
 12 ~~in the installation, maintenance, alteration, monitoring, or~~  
 13 ~~servicing of security alarm systems or who responds to a security~~  
 14 ~~alarm system. Security alarm system contractor does not include a~~  
 15 ~~business that only sells or manufactures security alarm systems~~  
 16 ~~unless the business services security alarm systems, installs~~  
 17 ~~security alarm systems, monitors or arranges for the monitoring of~~  
 18 ~~a security alarm system, or responds to security alarm systems at a~~  
 19 ~~protected premises.~~

20 (I) ~~(l)~~ "Security business" means a person engaged in offering,  
 21 arranging, or providing 1 or more of the following services:

22 ~~—— (i) Security alarm system installation, service, maintenance,~~  
 23 ~~alteration, or monitoring.~~

24 (i) ~~(ii)~~ Private security guard. **GUARDS.**

25 (ii) ~~(iii)~~ Private security police.

26 ~~—— (2) All businesses that provide security alarm systems for the~~  
 27 ~~protection of persons and property and whose employees and security~~

1 ~~technicians travel on public property and thoroughfares in the~~  
 2 ~~pursuit of their duties are subject to this act.~~

3 ~~—— (3) A communications common carrier that provides~~  
 4 ~~communications channels under tariffs for the transmission of~~  
 5 ~~signals in connection with an alarm system is not subject to this~~  
 6 ~~act.~~

7 (2) ~~(4)~~ A railroad policeman who is appointed and commissioned  
 8 under the railroad code of 1993, 1993 PA 354, MCL 462.101 to  
 9 462.451, is not subject to this act.

10 ~~—— (5) A system provider, as defined in section 2 of the security~~  
 11 ~~alarm systems act, that is registered under the security alarm~~  
 12 ~~systems act, is not subject to this act.~~

13 Sec. 3. (1) Unless licensed under this act, a ~~sole~~  
 14 ~~proprietorship, firm, company, partnership, limited liability~~  
 15 ~~company, or corporation~~ **PERSON** shall not engage in the business of  
 16 ~~security alarm system contractor, private security guard, private~~  
 17 ~~security police, private college security force, OR patrol service~~  
 18 ~~, or AS an agency furnishing ANY OF those services. A person ,~~  
 19 ~~firm, company, partnership, limited liability company, or~~  
 20 ~~corporation~~ shall not advertise its business to be that of ~~security~~  
 21 ~~alarm system contractor, security alarm system agent, private~~  
 22 ~~security guard agency , or an agency furnishing those services~~  
 23 ~~without having first obtained from the department a license to do~~  
 24 ~~so~~ **UNDER THIS ACT** for each office and branch office ~~to be owned,~~  
 25 ~~conducted, managed, or maintained for the conduct of that business.~~

26 ~~—— (2) A person shall not sell, install, operate, adjust, arrange~~  
 27 ~~for, or contract to provide a device which upon activation, either~~

1 ~~mechanically, electronically, or by any other means, initiates the~~  
2 ~~automatic calling or dialing of, or makes a connection directly to,~~  
3 ~~a telephone assigned to a public service, utility, or police~~  
4 ~~agency, for the purpose of delivering a recorded message, without~~  
5 ~~first receiving written permission from that service, utility, or~~  
6 ~~agency.~~

7 (2) ~~(3)~~ A person ~~who~~ **THAT** violates this section is guilty of a  
8 felony punishable by imprisonment for not more than 4 years or a  
9 fine of not more than \$1,000.00, or both.

10 Sec. 4. The department may issue separate licenses to ~~security~~  
11 ~~alarm system contractors,~~ private college security forces, private  
12 security police, and private security guard agencies. This section  
13 does not prevent a private detective or private investigator  
14 licensed under the professional investigator licensure act, 1965 PA  
15 285, MCL 338.821 to 338.851, from performing the services of a  
16 private security guard or private security police except that a  
17 private security guard or private security police may not perform  
18 the services of a private detective or private investigator without  
19 obtaining a private detective or private investigator license.

20 Sec. 5. ~~The department, upon~~ **IF IT RECEIVES A** proper  
21 application and ~~upon being~~ **IS** satisfied that the applicant is  
22 qualified, **THE DEPARTMENT** shall issue the applicant a license to  
23 conduct business as ~~an alarm system contractor or a private~~  
24 security guard or agency for a period of 2 years from date of  
25 issuance. ~~Upon the issuance of~~ **AN APPLICANT THAT IS ISSUED** a  
26 license to conduct business as ~~an alarm system contractor or a~~  
27 private security guard or agency, ~~the applicant shall not be~~ **UNDER**

1 **THIS ACT IS NOT** required to obtain any other license from a  
2 municipality or political subdivision of this state.

3 Sec. 6. (1) The department shall issue a license to conduct  
4 business as a ~~security alarm system contractor or a private~~  
5 security guard, private security police, or to a private security  
6 guard business, if it is satisfied that the applicant, if the  
7 applicant is an individual, or the individual who is the sole or  
8 principal license holder of the applicant if the applicant is not  
9 an individual, meets all of the following qualifications:

10 (a) Is ~~not less than~~ **AT LEAST** 21 years of age. However, this  
11 subdivision does not apply to an applicant described in subdivision  
12 (g) (v).

13 (b) Has a high school education or its equivalent.

14 (c) If the applicant's license is issued after March 28, 2001,  
15 has not been convicted of a felony.

16 (d) If the applicant's license was issued on or before March  
17 28, 2001, was not convicted of a felony in the 5-year period  
18 preceding the date of application.

19 (e) Was not convicted of an offense listed in section 10(1)(c)  
20 in the 5-year period preceding the date of application.

21 (f) ~~Has not been~~ **WAS NOT** dishonorably discharged from a branch  
22 of the United States military service.

23 (g) If the applicant is applying for a private security guard  
24 or agency license, meets any of the following:

25 (i) Was engaged in the private security guard or agency  
26 business on his or her own account in another state for a period of  
27 at least 3 years.

1           (ii) Was engaged in the private security guard or agency  
2 business for a period of at least 4 years as an employee of the  
3 holder of a certificate of authority to conduct a private security  
4 guard or agency business and has experience reasonably equivalent  
5 to at least 4 years of full-time guard work in a supervisory  
6 capacity with rank above that of patrolman.

7           (iii) Was employed in law enforcement as a certified police  
8 officer on a full-time basis for at least 4 years for a city,  
9 county, or state government or for the United States government.

10           (iv) Was engaged in the private security guard or agency  
11 business as an employee or on his or her own account or as a  
12 security administrator in private business for at least 2 years on  
13 a full-time basis, and is a graduate with a baccalaureate degree or  
14 its equivalent in the field of police administration or industrial  
15 security from an accredited college or university.

16           (v) While on active duty as a member of the armed forces,  
17 served as a military police officer or in an equivalent job  
18 classification for at least 2 years; was honorably discharged from  
19 that military service; and has, and provides with his or her  
20 application an affidavit signed by a commanding officer,  
21 supervisor, or military superior with direct knowledge of the  
22 applicant's service that he or she has, entry-level experience in  
23 or basic knowledge of each of the following:

24           (A) Enforcing rules, regulations, and guidelines.

25           (B) Providing security and physical protection.

26           (C) Area and site security operations.

27           (D) Overseeing prisoners and correctional facilities.



1 (E) Reconnaissance and surveillance.

2 ~~—— (h) If the applicant is applying for a security alarm system~~  
3 ~~contractor license, has been lawfully engaged in either or both of~~  
4 ~~the following:~~

5 ~~—— (i) A security alarm system contractor business on his or her~~  
6 ~~own account for a period of not less than 3 years.~~

7 ~~—— (ii) A security alarm system contractor business for a period~~  
8 ~~of not less than 4 years as an employee of the holder of a~~  
9 ~~certificate of authority to conduct a security alarm system~~  
10 ~~contractor business, and has experience reasonably equivalent to at~~  
11 ~~least 4 years of full-time work in a supervisory capacity or passes~~  
12 ~~a written exam administered by the department designed to measure~~  
13 ~~his or her knowledge and training in security alarm systems.~~

14 (H) ~~(i)~~ Provided the department the bond or surety required  
15 under section 9.

16 (I) ~~(j)~~ Has not been adjudged insane, unless he or she has  
17 been adjudged restored to sanity by court order.

18 (J) ~~(k)~~ Is not subject to any outstanding warrants for his or  
19 her arrest.

20 (2) If a person now doing or seeking to do business in this  
21 state is applying for a license under this section, the resident  
22 manager shall comply with the applicable qualifications of this  
23 section.

24 (3) As used in this section, "armed forces" means that term as  
25 defined in section 2 of the veteran right to employment services  
26 act, 1994 PA 39, MCL 35.1092.

27 Sec. 8. (1) Each applicant shall sign and verify ~~the~~ **AN**

1 application **FOR A LICENSE UNDER THIS ACT**. Each application shall  
 2 contain at least all of the following **INFORMATION**:

3 (a) The name and principal address where the ~~individual or~~  
 4 ~~business entity~~ **PERSON** is located in this state.

5 (b) The address and location of any branch office of the  
 6 business.

7 (c) The certificate of incorporation of the business, if  
 8 applicable.

9 (2) Each applicant **WHO IS AN INDIVIDUAL** shall submit 2  
 10 passport-quality photographs of the applicant with the application.  
 11 If the applicant is a ~~business entity~~, **NOT AN INDIVIDUAL** the  
 12 resident manager of the business shall submit 2 passport-quality  
 13 photographs of himself or herself.

14 (3) This section does not apply to a private college security  
 15 force.

16 Sec. 9. (1) The department ~~when~~ **SHALL ISSUE A LICENSE TO AN**  
 17 **APPLICANT WHEN THE REQUIREMENTS OF THIS ACT ARE MET AND THE**  
 18 **DEPARTMENT IS** satisfied of the good character, competence, and  
 19 integrity of ~~the~~ **1 OF THE FOLLOWING, AS APPLICABLE**:

20 (A) **THE** applicant, ~~or~~ **IF THE APPLICANT IS AN INDIVIDUAL**.

21 (B) **IF** the applicant is a ~~firm, company, partnership, limited~~  
 22 ~~liability company, or corporation~~, **A PERSON THAT IS NOT AN**  
 23 **INDIVIDUAL OR A PRIVATE COLLEGE OR UNIVERSITY**, its individual  
 24 members or officers. ~~or, if~~

25 (C) **IF** the applicant is a private college or university, ~~of~~  
 26 its governing board. ~~shall issue to the applicant a license. The~~  
 27 ~~issuance of the license is conditioned upon the applicant's paying~~

1 ~~to the department for each license \$200.00 if a sole~~  
2 ~~proprietorship, or \$300.00 if a private security guard firm,~~  
3 ~~company, partnership, limited liability company, or corporation, or~~  
4 ~~\$500.00 if a security alarm system contractor, and upon the~~  
5 ~~applicant's executing, delivering, and filing with~~

6 (2) A LICENSE ISSUED UNDER THIS ACT IS VALID FOR 2 YEARS, BUT  
7 THE DEPARTMENT MAY REVOKE A LICENSE AT ANY TIME FOR GOOD CAUSE  
8 SHOWN. THE DEPARTMENT SHALL PRESCRIBE THE FORM OF A LICENSE  
9 CERTIFICATE.

10 (3) THE DEPARTMENT SHALL NOT ISSUE A LICENSE UNDER THIS ACT  
11 UNLESS THE APPLICANT PAYS THE DEPARTMENT 1 OF THE FOLLOWING FEES,  
12 AS APPROPRIATE:

13 (A) IF THE APPLICANT IS AN INDIVIDUAL, \$200.00.

14 (B) IF THE APPLICANT IS NOT AN INDIVIDUAL, \$300.00.

15 (4) THE DEPARTMENT SHALL NOT ISSUE A LICENSE TO A SECURITY  
16 ALARM SYSTEM CONTRACTOR UNDER THIS ACT UNLESS THE APPLICANT  
17 PROVIDES the department a bond in the ~~sum~~ PRINCIPAL AMOUNT of  
18 \$25,000.00. The bond shall be conditioned ~~upon~~ ON the faithful and  
19 honest conduct of the business by the applicant and ~~shall be~~  
20 approved by the department. In lieu of a bond, ~~the~~ AN applicant may  
21 furnish a policy of insurance issued by an insurer authorized to do  
22 business in this state ~~naming~~ THAT NAMES the licensee and the state  
23 as coinsureds in the amount of \$25,000.00 for property ~~damages,~~  
24 DAMAGE, \$100,000.00 for injury to or death of 1 person, and  
25 \$200,000.00 for injuries to or deaths of more than 1 person arising  
26 out of the operation of the licensed activity. ~~The license is valid~~  
27 ~~for 2 years but is revocable at all times by the department for~~

1 ~~cause shown. The bonds shall be taken in the name~~ **THE BOND SHALL BE**  
 2 **PAYABLE TO THE DEPARTMENT FOR THE BENEFIT** of the people of the  
 3 state and a person injured by the willful, malicious, and wrongful  
 4 act of the licensee or any ~~of his or her~~ agents or employees **OF A**  
 5 **LICENSEE** may bring an action on the bond or insurance policy in his  
 6 or her own name to recover damages suffered by reason of the  
 7 wrongful act. ~~The license certificate shall be in a form to be~~  
 8 ~~prescribed by the department.~~

9 (5) ~~(2) If a licensee desires to open a branch office, he or~~  
 10 ~~she may receive a license for that branch following~~ **A PRIVATE**  
 11 **SECURITY GUARD LICENSEE SHALL NOT OPERATE A BRANCH OFFICE WITHOUT A**  
 12 **LICENSE FOR THAT BRANCH OFFICE. THE DEPARTMENT SHALL NOT ISSUE A**  
 13 **BRANCH OFFICE LICENSE WITHOUT OBTAINING THE** approval ~~as~~ required in  
 14 section 7 and ~~payment to~~ **PAYING** the department ~~of~~ an additional fee  
 15 of \$50.00 for each private security guard branch office license.  
 16 ~~and \$100.00 for each security alarm system contractor branch office~~  
 17 ~~license.~~

18 ~~—(3) The additional license issued under subsection (2) shall~~  
 19 be posted in a conspicuous place in the branch office and shall  
 20 expire on the same date as the initial license.

21 (6) ~~(4) Subject to subsection (5), (7), if the~~ **A** license is  
 22 denied, revoked, or suspended for cause, ~~no~~ **THE DEPARTMENT SHALL**  
 23 **NOT** refund ~~shall be made of~~ the license fees or a **ANY** part of the  
 24 license fees.

25 (7) ~~(5) Beginning July 23, 2004, the department shall issue~~ **OR**  
 26 **DENY AN APPLICATION FOR** an initial or renewal license ~~not later~~  
 27 ~~than~~ **WITHIN** 180 days after the applicant files a completed

1 application. ~~Receipt of the~~ **AN** application is considered **FILED ON**  
2 the date the application is received by any agency or department of  
3 ~~the~~ **THIS** state. ~~of Michigan.~~ If the ~~AN~~ application is considered  
4 incomplete by the department, the department shall notify the  
5 applicant in writing, or make the information electronically  
6 available, within 30 days after ~~receipt~~ **THE FILING** of the  
7 incomplete application, describing the deficiency and requesting  
8 the additional information. ~~The~~ **A** 180-day period **DESCRIBED IN THIS**  
9 **SUBSECTION** is tolled ~~upon notification by~~ **FROM THE DATE** the  
10 department **NOTIFIES THE APPLICANT** of a deficiency until the date  
11 the requested information is received by the department. The  
12 determination of the completeness of an application does not  
13 operate as an approval of the application for the license and does  
14 not confer eligibility of an applicant determined otherwise  
15 ineligible for issuance of a license.

16 (8) ~~(6)~~ If the department fails to issue or deny a license  
17 ~~within~~ **IN** the time required by ~~by~~ **UNDER** this section, the department  
18 shall return the license fee and shall reduce the license fee for  
19 the applicant's next renewal application, if any, by 15%. The  
20 failure to issue a license ~~within~~ **IN** the time required under this  
21 section does not allow the department to otherwise delay the  
22 processing of ~~the~~ **AN** application, and ~~that application, upon~~ **ON**  
23 completion, ~~shall be placed~~ **THE DEPARTMENT SHALL PLACE THE**  
24 **APPLICATION** in sequence with **ANY** other completed applications  
25 received at that same time. The department shall not discriminate  
26 against an applicant in ~~the~~ processing ~~of the~~ **AN** application based  
27 ~~upon~~ **ON** the fact that the license fee was refunded or discounted

1 under this subsection.

2 (9) ~~(7) Beginning October 1, 2005, the~~ **THE** director of the  
3 department shall submit a report by December 1 of each year to the  
4 standing committees and appropriations subcommittees of the senate  
5 and house of representatives concerned with occupational issues.  
6 The director shall include all of the following information in the  
7 report concerning the preceding fiscal year:

8 (a) The number of initial and renewal applications the  
9 department received and completed within the 180-day time period  
10 described in subsection ~~(5)-(7)~~.

11 (b) The number of applications denied.

12 (c) The number of applicants not issued a license within the  
13 180-day time period and the amount of money returned to licensees  
14 and registrants under subsection ~~(6)-(8)~~.

15 (10) ~~(8)~~ **THE DEPARTMENT SHALL DEPOSIT THE** fees collected by  
16 ~~the department~~ under this section ~~shall be deposited~~ into the  
17 security business fund created in subsection ~~(9)-(11)~~.

18 (11) ~~(9)~~ **THE SECURITY BUSINESS FUND IS CREATED WITHIN IN** the  
19 state treasury. **ALL OF THE FOLLOWING APPLY TO THE FUND:**

20 (A) The department shall deposit all license fees collected  
21 under this act into the fund.

22 (B) The state treasurer may receive money or other assets from  
23 any source for deposit into the fund.

24 (C) The state treasurer shall direct the investment of the  
25 fund.

26 (D) The state treasurer shall credit to the fund interest and  
27 earnings from fund investments.

1           (E) Money in the fund at the close of the fiscal year shall  
2 remain in the fund and be available for appropriation and  
3 expenditure by the department in subsequent fiscal years.

4           (F) The money in the fund shall not lapse to the general fund.

5           (G) The department shall expend money from the fund, upon  
6 appropriation, only for enforcement and administration of this act.

7           (12) ~~(10)~~ As used in this section, "completed application"  
8 means an application **THAT IS** complete on its face and submitted  
9 with any applicable licensing fees ~~as well as~~ **AND** any other  
10 information, records, approval, security, or similar item required  
11 by law or rule from a local unit of government, a federal agency,  
12 or a private entity ~~PERSON~~ but not from another department or  
13 agency of the ~~THIS~~ state. ~~of Michigan.~~

14           Sec. 14. (1) ~~Upon issuing~~ **WHEN IT ISSUES** a license, the  
15 department shall issue an identification card to the principal  
16 license holder, and if the licensee is a partner in a partnership  
17 to each partner, and if the license holder is a corporation to each  
18 resident officer or manager but only if requested by a resident  
19 officer or manager.

20           (2) The **DEPARTMENT SHALL DETERMINE THE** form and contents of  
21 the identification card ~~shall be prescribed by the department,~~  
22 **DESCRIBED IN SUBSECTION (1),** and **THE DEPARTMENT SHALL RECALL** the  
23 card ~~shall be recalled by the department~~ if the license is revoked.

24           (3) ~~Only~~ **THE DEPARTMENT SHALL ISSUE ONLY** 1 identification card  
25 ~~shall be issued~~ **DESCRIBED IN SUBSECTION (1)** for each person  
26 **INDIVIDUAL** entitled to receive it. The licensee is responsible for  
27 the maintenance, custody, and control of the identification card

1 and shall not let, loan, sell, or otherwise permit unauthorized  
2 ~~persons~~**INDIVIDUALS** or employees to use it.

3 (4) This section does not prevent an agency from issuing its  
4 own identification cards to its employees if ~~they are approved as~~  
5 ~~to~~**THEIR** form and content **ARE APPROVED** by the department. The  
6 ~~individual card~~

7 (5) **AN IDENTIFICATION CARD ISSUED UNDER THIS SUBSECTION** shall  
8 not bear the seal of the state, and the employee shall be  
9 designated as ~~either security alarm system agent,~~ **A** private  
10 security police officer, private college security force officer,  
11 security guard, or security technician.

12 (6) ~~(4)~~The department may suspend a license issued under this  
13 act if the licensee fails to comply with any of the requirements of  
14 this act. ~~Unless a~~**IF THE SUSPENDED** license is ~~required to be~~**NOT**  
15 ~~revoked for a~~**THE** violation, ~~of this act,~~the department shall  
16 ~~reinstate a~~**THE** suspended license ~~upon~~**IF** the licensee ~~complying~~  
17 **COMPLIES** with this act and the licensee ~~paying~~**PAYS** a \$100.00  
18 reinstatement fee.

19 (7) ~~(5)~~Upon proper application and for sufficient reasons  
20 shown, the department may issue duplicates of the original  
21 certificate of license or identification card.

22 Sec. 16. (1) A person shall not manufacture a badge or shield  
23 ~~which~~**THAT** purports to indicate that the holder is a licensed ~~alarm~~  
24 ~~system contractor, alarm system agent, private security guard or~~  
25 ~~agency. , or any of those persons as listed, in section 2.~~ A person  
26 shall not ~~display~~**OFFER** for sale a badge, shield, identification  
27 card, or certificate of license **THAT, by which**~~IF USED BY~~ the



1 holder, might mislead **A MEMBER OF** the public into thinking that the  
 2 holder is a licensed ~~alarm system contractor, alarm system agent,~~  
 3 ~~or private security guard, or agency.~~

4 (2) A person ~~, firm, company, partnership, or corporation~~  
 5 shall not distribute an identification card or certificate of  
 6 license in this state except as provided ~~by~~ **UNDER** this act.

7 (3) A person shall not knowingly buy or receive from a source  
 8 a form of spurious identification as an ~~alarm system contractor,~~  
 9 ~~alarm system agent, or a private security guard or agency.~~

10 (4) A violation of this section is a misdemeanor, and **IF A LAW**  
 11 **ENFORCEMENT OFFICER OF THIS STATE SEES** an unauthorized  
 12 identification card or certificate of license, ~~shall be confiscated~~  
 13 ~~by a law enforcement officer of the state. HE OR SHE SHALL~~  
 14 **CONFISCATE IT.** Each day ~~the~~ **A violation OF THIS SECTION** continues  
 15 ~~shall constitute~~ **CONSTITUTES** a separate offense.

16 Sec. 17. (1) A licensee may employ as many ~~persons as he or~~  
 17 ~~she~~ **INDIVIDUALS AS THE LICENSEE** considers necessary to assist ~~him~~  
 18 ~~or her in his or her~~ **THE LICENSEE IN ITS** work of ~~security alarm~~  
 19 ~~system contractor, private security police, private college~~  
 20 ~~security force, or private security guard and in the conduct of his~~  
 21 ~~or her~~ **THE LICENSEE'S** business. ~~, and~~ **A LICENSEE IS** at all times  
 22 during the employment ~~is~~ **OF AN INDIVIDUAL** accountable for the good  
 23 conduct in the business of ~~each person so employed.~~ **THAT INDIVIDUAL.**

24 (2) Employees in the employ of a licensee after March 28, 2001  
 25 shall meet the qualifications outlined in section 6(1)(c), (e),  
 26 ~~(j), (I), and (k), (J),~~ be at least 18 years of age, and have had  
 27 at least an eighth grade education or its equivalent. An employee

1 in the employ of a licensee on or before March 28, 2001 shall meet  
2 the qualifications outlined in section 6(1)(d), (e), ~~(j)~~, **(I)**, and  
3 ~~(k)~~, **(J)**, be at least 18 years of age, and have had at least an  
4 eighth grade education or its equivalent. Employees hired by a  
5 licensee after June 21, 2002 shall meet the qualifications outlined  
6 in section 6(1)(c), (e), ~~(j)~~, **(I)**, and ~~(k)~~, **(J)**, be at least 18  
7 years of age, and have at least a high school diploma, a GED, or  
8 its equivalent.

9 (3) A licensee shall keep and maintain in this state adequate  
10 and complete personnel information on all ~~persons employed by him~~  
11 ~~or her.~~ **OF ITS EMPLOYEES.** A **LICENSEE SHALL FILE A** complete employee  
12 ~~roster in a manner described by the department shall be filed with~~  
13 ~~the department by each licensee on a quarterly basis, . The rosters~~  
14 ~~must be filed with~~ **IN A MANNER DETERMINED BY** the department, by  
15 April 15, July 15, October 15, and January 15 **OF EACH YEAR** for the  
16 preceding **CALENDAR** quarter. Failure to submit **AN** accurate ~~rosters~~  
17 **ROSTER** is cause for suspension of ~~the~~ **A** license. ~~A~~ **THE DEPARTMENT**  
18 **SHALL NOT PROCESS A** renewal application ~~shall not be processed if~~  
19 ~~the~~ **DEPARTMENT HAS NOT RECEIVED A** quarterly roster ~~has not been~~  
20 ~~received~~ for each quarter of the preceding 2-year license period.

21 (4) If a licensee falsely states or represents that ~~a person~~  
22 **AN INDIVIDUAL** is or has been in ~~his or her~~ **THE LICENSEE'S** employ,  
23 the false statement or representation is sufficient cause for the  
24 revocation of the license.

25 (5) ~~A person~~ **AN INDIVIDUAL** shall not falsely state or  
26 represent that he or she is an agent of a licensed ~~security alarm~~  
27 ~~system contractor,~~ private security police officer, private college

1 security force officer, or private security guard. ~~A person~~ **AN**  
 2 **INDIVIDUAL** who violates this subsection is guilty of a misdemeanor  
 3 punishable by imprisonment for not more than 93 days or a fine of  
 4 not more than \$500.00, or both.

5 Sec. 19. (1) ~~The~~ **A LICENSEE SHALL NOT WEAR OR ALLOW AN**  
 6 **EMPLOYEE TO WEAR A** particular type of uniform and insignia ~~worn by~~  
 7 ~~a licensee or his or her employees must be~~ **THAT IS NOT** approved by  
 8 the department, ~~and shall not~~ **THAT MAY** deceive or confuse the  
 9 public, or ~~be~~ **THAT IS** identical with that of a law enforcement  
 10 officer of the federal government, state, or a political  
 11 subdivision of the state in the community of the license holder.  
 12 ~~Shoulder~~ **A LICENSEE AND ITS EMPLOYEES SHALL WEAR SHOULDER**  
 13 identification patches ~~shall be worn on all uniform jackets, coats,~~  
 14 and shirts ~~and shall~~ **THAT** include the name of the licensee ~~or~~  
 15 agency. ~~Shoulder identification patches or emblems shall not be~~  
 16 ~~less than~~ **AND ARE AT LEAST** 3 inches by 5 inches in size.

17 (2) **A LICENSEE SHALL NOT WEAR OR CARRY OR ALLOW AN EMPLOYEE TO**  
 18 **WEAR OR CARRY A** badge or shield ~~shall not be worn or carried by a~~  
 19 ~~security alarm system agent, private security police officer,~~  
 20 ~~private college security force officer, or an employee or licensee~~  
 21 ~~of a security alarm system contractor, private security police~~  
 22 ~~organization, private college security force, or private security~~  
 23 ~~guard agency, unless~~ **THAT IS NOT** approved by the director of the  
 24 department.

25 (3) ~~A person~~ **AN INDIVIDUAL** who is not employed as a security  
 26 guard shall not display a badge or shield or wear a uniform of a  
 27 security guard. ~~A person~~ **AN INDIVIDUAL** who violates this subsection

1 is guilty of a misdemeanor punishable by imprisonment for not more  
2 than 93 days or a fine of not more than \$500.00, or both.

3 (4) ~~A person~~ **AN INDIVIDUAL WHO IS** licensed as a ~~security alarm~~  
4 ~~system contractor, security alarm system agent, or a private~~  
5 security guard or agency is not authorized to carry a deadly weapon  
6 unless he or she is licensed to do so in accordance with the laws  
7 of this state.

8 (5) A licensee may authorize ~~his or her~~ **ITS** employees to carry  
9 any commercially available tactical baton.

10 Sec. 22. (1) Every advertisement by a licensee soliciting or  
11 advertising for business shall contain ~~his or her~~ **THE** business name  
12 and address **OF THE LICENSEE** as they appear in the records of the  
13 department.

14 (2) ~~A licensee shall, upon~~ **ON** notice from and order of the  
15 department, **A LICENSEE SHALL** discontinue any advertising or the use  
16 of any advertisement, seal, or card that, in the opinion of the  
17 department, may tend to mislead the public. Failure to comply with  
18 ~~any such~~ **AN** order of the department **DESCRIBED IN THIS SUBSECTION** is  
19 cause for revocation or suspension of the license.

20 (3) ~~A person~~ **IF AN INDIVIDUAL WHO IS** not licensed under this  
21 act ~~who~~ advertises his or her business to be that of a private  
22 security guard, ~~or security alarm agency,~~ irrespective of the name  
23 or title actually used, **HE OR SHE** is guilty of a misdemeanor  
24 punishable by imprisonment for not more than 93 days, a fine of not  
25 more than \$1,000.00, or both.

26 Sec. 25. (1) Subject to section ~~9(5), 9(7),~~ **THE DEPARTMENT MAY**  
27 **RENEW** a license granted under this act ~~may be renewed by the~~

1 ~~department upon~~ **IF THE LICENSEE FILES AN** application, by the  
 2 ~~licensee, filing~~ **PROVIDES** a renewal surety bond in the amount  
 3 ~~specified in~~ **REQUIRED UNDER** section 9, and the ~~payment of~~ **PAYS** a  
 4 renewal fee of \$100.00 if a ~~sole proprietorship,~~ \$150.00 if a  
 5 ~~private security police organization, a private college police~~  
 6 ~~force, or a private security guard firm, company, partnership,~~  
 7 ~~limited liability company, or corporation, or \$250.00 if a security~~  
 8 ~~alarm system contractor.~~ **THE APPLICANT IS AN INDIVIDUAL OR \$150.00**  
 9 **IF THE APPLICANT IS A PERSON OTHER THAN AN INDIVIDUAL.**

10 (2) ~~A~~ **THE DATE OF ISSUANCE OF A** renewal license shall be dated  
 11 ~~as of~~ **UNDER THIS ACT IS** the expiration date of the previously  
 12 existing license. ~~For the renewal of~~ **TO RENEW** a license, the  
 13 licensee shall submit an application in a form provided by the  
 14 department. The department may defer the renewal of license if  
 15 there is an uninvestigated outstanding criminal complaint pending  
 16 against the licensee or a criminal case pending in any court  
 17 against the licensee.

18 (3) A person ~~who~~ **THAT** fails to renew a license on or before  
 19 the expiration date shall not engage in activities regulated by  
 20 this act. A person ~~who~~ **THAT** fails to renew a license on or before  
 21 the expiration date may, within 30 days after the expiration date,  
 22 renew the license by ~~payment of~~ **PAYING** the required license fee and  
 23 a late renewal fee of \$25.00. An applicant who fails to renew  
 24 within the 30-day period must reapply for a license under section  
 25 7.

26 (4) The fees collected by the department under this section  
 27 shall be deposited into the security business fund created ~~in~~ **UNDER**

1 section ~~9(9)~~-9(11).

2 Sec. 26. (1) ~~Upon the death of~~ **IF** an individual licensed under  
3 ~~this act,~~ **WHO IS LICENSED AS A PRIVATE SECURITY GUARD OR PRIVATE**  
4 **SECURITY POLICE FORCE OR IS AN OWNER OF A LICENSED PRIVATE SECURITY**  
5 **GUARD AGENCY OR PRIVATE SECURITY POLICE FORCE DIES, ANY OF THE**  
6 **FOLLOWING, AS APPLICABLE, MAY CONTINUE** the business with which the  
7 decedent was connected ~~may be carried on~~ for a period of 90 days:  
8 ~~by the following:~~

9 (a) ~~In the case of an individual~~ **IF THE** licensee **WAS AN**  
10 **INDIVIDUAL**, the surviving spouse, or ~~if there be none,~~ the executor  
11 or administrator of the estate of the decedent ~~+~~ **IF THERE IS NO**  
12 **SURVIVING SPOUSE.**

13 (b) ~~In the case of a partner,~~ **IF THE LICENSEE IS A PARTNERSHIP**  
14 **AND THE DECEDENT WAS A PARTNER,** the surviving partners. ~~+~~

15 (c) ~~In the case of an officer of a firm, company, association,~~  
16 ~~organization, or corporation,~~ **IF THE DECEDENT WAS AN OFFICER OF A**  
17 **LICENSEE THAT IS NOT AN INDIVIDUAL OR PARTNERSHIP,** the **REMAINING**  
18 ~~officers thereof.~~ **OF THE LICENSEE.**

19 (2) Within 10 days following the death of a licensee, the  
20 department shall be notified in writing. The notification shall  
21 state the name of the person legally authorized to carry on the  
22 business of the deceased **UNDER SUBSECTION (1).**

23 (3) ~~Upon the authorization of~~ **IF AUTHORIZED BY** the department,  
24 the business **OF A DECEDENT DESCRIBED IN SUBSECTION (1)** may be  
25 carried on for a ~~further~~ **LONGER** period of time ~~when~~ **THAN THE 90-DAY**  
26 **PERIOD DESCRIBED IN SUBSECTION (1)** **IF** necessary to complete any  
27 business commitments pending ~~at the death of~~ **WHEN** the decedent

1 DIED.

2 (4) ~~Nothing in this~~ **THIS** section shall be construed to **DOES**  
3 **NOT** restrict the ~~A~~ sale of an alarm system business or a private  
4 security guard agency, if the ~~vendee~~ **BUYER** qualifies for a license  
5 under ~~the provisions of~~ this act.

6 Enacting section 1. Section 33 of the private security  
7 business and security alarm act, 1968 PA 330, MCL 338.1083, is  
8 repealed.

9 Enacting section 2. This amendatory act does not take effect  
10 unless Senate Bill No. 618

11 of the 97th Legislature is enacted into law.